

## **EXHIBIT O**

**BURNS & LEVINSON LLP**  
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EVELYN A. HARALAMPU  
617-345-3351  
EHaralampu@B-L.com

July 9, 2002

**CERTIFIED MAIL**  
**PERSONAL AND CONFIDENTIAL**

Director of the Compensation Committee  
(Plan Administrator of the Individual  
Account Retirement Plan)  
SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277

**Re: Thomas D. Gillis**  
**Social Security No.: 011-32-2600**

Ladies and Gentlemen:

Please be advised that I am an attorney representing Thomas D. Gillis, former Territory Manager of SPX Thermal Products and Test Solutions of Ashland, Massachusetts. Mr. Gillis has retained me as his legal counsel to advise him as to his rights under SPX Corporation Individual Account Retirement Plan and the Corporate Retirement Plan of General Signal Corporation. A power of attorney is enclosed for your reference.

In a letter dated October 22, 2001, Mr. Gillis requested a complete copy of each of the above-referenced plan documents as well as any related documents regarding the "transition benefit" and a calculation sheet setting forth the actuarial factors, interest rates, compensation history and other information used to calculate his "opening account balance", "transition benefit" and other relevant computations shown in a letter by SPX Corporation to Mr. Gillis dated September 18, 2001. That request for information was forwarded to Elaine Krom who, to date, has failed to provide all of the documents requested. Ms. Krom represented, however, that SPX Corporation would toll the deadline for any appeal until Mr. Gillis received all documents requested.

Please be advised that I am now making another request on behalf of Mr. Gillis for the immediate transmittal to me of the following documents:

1. The most recent plan document of the Corporate Retirement Plan of General Signal Corporation, including all amendments;

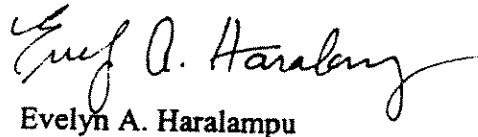
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Director of the Compensation Committee  
SPX Corporation  
Page 2  
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2. Any summary plan description (and material modifications thereto) of the Corporate Retirement Plan of General Signal Corporation for provisions that became effective after 1994;
3. The most recent plan document of the SPX Individual Account Retirement Plan, including all amendments;
4. The most recent summary plan description (and any material modifications thereto) of the SPX Individual Account Retirement Plan; and
5. A calculation sheet setting forth the actuarial factors, interest rates, compensation, history and other information used to calculate Mr. Gillis' "opening account balance", "transition benefit", and other computations of retirement benefits applicable to him under both the plans hereinabove referenced.

Please be advised that under § 502(c)(1) of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") any plan administrator who fails to comply with a plan participant's request for any information for plan documents and benefit calculations within 30 days after such request is subject to a fine that may be awarded in a court's discretion in the amount of \$110 per day starting from the date of that failure. SPX has failed to honor Mr. Gillis' request since October of 2001. Please be advised that Mr. Gillis insists on an immediate response to this letter with the documents requested.

Very truly yours,

  
Evelyn A. Haralampu

EAH/ack

cc: Thomas D. Gillis  
/ James R. Cauley (Certified Mail)  
Group General Counsel

## JENNER &amp; BLOCK

July 18, 2002

Ms. Evelyn A. Haralampu  
 Burns & Levinson LLP  
 Counsellors at Law  
 125 Summer Street  
 Boston, MA 02110-1624

Jenner & Block, LLC  
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Chicago  
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S. Tony Ling  
 Tel 312 923-2640  
 Fax 312 840-7640  
[tling@jenner.com](mailto:tling@jenner.com)

Dear Ms. Haralampu:

We are in receipt of Mr. Gillis' power of attorney. Thank you.

Please see our responses (in italics) below to the requests set forth in your letter dated July 9, 2002:

1. The most recent plan document for the Corporate Retirement Plan for General Signal Corporation, including all amendments;

*A copy of the most recent plan document for the Corporate Retirement Plan for General Signal Corporation is enclosed.*

2. Any summary plan description (and material modifications thereto) of the Corporate Retirement Plan for General Signal Corporation for provisions that became effective after 1994;

*A copy of the summary plan description for the Corporate Retirement Plan for General Signal Corporation was previously provided to Mr. Gillis in a letter dated April 13, 2002 from Elaine Krom, however, in the spirit of good faith, we are enclosing another copy.*

3. The most recent plan document of the SPX Individual Account Retirement Plan, including all amendments;

*A copy of the most recent plan document for the SPX Corporation Individual Account Retirement Plan (the "IARP") is enclosed.*

4. The most recent summary plan description (and any material modifications thereto) of the SPX Corporation Individual Account Retirement Plan;

*A copy of the summary plan description for the IARP was previously provided to Mr. Gillis in a letter dated April 13, 2002 from Elaine Krom, however, in the spirit of good faith, we are enclosing another copy.*

JENNER & BLOCK

July 16, 2002

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5. A calculation sheet setting forth the actuarial factors, interest rates, compensation, history and other information used to calculate Mr. Gillis' "opening account balance", "transition benefit", and other computations of retirement benefits applicable to him under both the plans hereinabove referenced.

*A benefit calculation was previously provided to Mr. Gillis in a letter dated April 19, 2002 from Barbara Garland of Watson Wyatt Worldwide, however, in the spirit of good faith, we are enclosing another copy of such calculation.*

If you have any questions or comments, please do not hesitate to contact me.

Sincerely yours,

S. Tony Ling

cc: Elaine Krom  
Bill Scogland

SPXP000542

## **EXHIBIT P**

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EVELYN A. HARALAMPU  
617-345-3351  
E-mail: EH Haralampu@B-L.com

September 27, 2002

**Certified Mail Return Receipt Requested**

Director of the Compensation Committee  
(Plan Administrator of the Individual  
Account Retirement Plan)  
SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277

**Re: Thomas D. Gillis: Claim for Benefits under the SPX Corporation  
Individual Account Retirement Plan**

Ladies and Gentlemen:

Thomas D. Gillis, former employee of SPX Corporation ("SPX"), has asked that I review his rights to benefits under the SPX Corporation Individual Account Retirement Plan ("SPX Plan") in conjunction with an independent actuary and submit a claim on his behalf. Based on that review, I hereby submit a claim for benefits on behalf of Mr. Gillis under the SPX Plan of \$661,367.62, payable in a lump sum as of December 31, 2002.

Under the SPX Plan, Section B-31(k) and subject to applicable legal requirements, Mr. Gillis' benefit is the greatest of his Accrued Benefit, his Transition Benefit, or his December 31, 1998 GSX Accrued Benefit. Mr. Gillis' Transition Benefit of \$661,367.62 (as of December 31, 2002) is the greatest of these three. (See Appendix A-1 and supporting appendices enclosed herewith.)

The Transition Benefit, determined herein, follows the method of calculation under the SPX Corporation Individual Account Retirement Plan Supplement to Summary Plan Description, General Signal Transition Benefit ("Supplement") (enclosed herewith) that was distributed to employees as part of the disclosure materials. Mr. Gillis relied on this disclosure in making his plans regarding early retirement. The method of calculation set forth in the example in the Supplement produces a much greater Transition Benefit than that which SPX later calculated in its letter dated September 18, 2001, when it responded to Mr. Gillis' inquiry.

In its letter to Mr. Gillis dated September 18, 2001 (enclosed herewith), SPX sought to justify its calculation of the Transition Benefit, which excluded the early retirement subsidy, by referring to the footnote in the Supplement. In fact, that footnote is ambiguous in

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S. Tony Ling, Esq.  
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its language, and does not specifically state that the Transition Benefit should be determined by excluding the early retirement subsidy. In any case, the footnote, besides being vague, is obscure and minimized by its fine print. What is prominently displayed in the Supplement is the "Transition Benefit Example", showing how the Transition Benefit is to be calculated. This example quite clearly incorporates the early retirement subsidy in its determination of the Transition Benefit.

Mr. Gillis hereby asserts that the promise by SPX to him of a benefit based on one method of calculation, as illustrated in the Supplement, and later switching the method of calculation to yield a smaller benefit is (if not a mistake) a breach of fiduciary duty under the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"). The requirements under ERISA impose on plan fiduciaries a duty to disclose material information about the plan such as the method of calculating benefits. ERISA specifically provides that a summary plan description must not have the effect of misleading, misinforming or failing to inform participants. Any description of exceptions, limitations, reductions and other restrictions of plan benefits are not to be minimized, rendered obscure or otherwise made to appear unimportant. Rather, such limitations are to be summarized in the manner not less prominent than the style used to describe or summarize plan benefits. (29 C.F.R § 2520.102-2(b)) In addition, the use of clarifying examples is required. (29 C.F.R § 2520.102-2(a)) Moreover, case law consistently holds that, notwithstanding anything to the contrary, the terms of the summary plan description are controlling with respect to benefits communicated to employees. ERISA specifically contemplates that summary plan descriptions will be an employee's primary source of information regarding employee benefits, and employees are entitled to rely on them. For a plan to contain different terms that supercede the terms of the summary would defeat the purpose of providing employees with summaries. (*Layou v. Xerox Corp.*, 238 F. 3d 205 (2nd Cir. 2001)); *Heidgerd v. Olin Corp.*, 906 F. 2d 903 (2nd Cir. 1990) and *see also, McKnight v. Southern Life and Health Ins. Co.*, 758 F. 2d 1556, 1570 (11th Cir. 1985))

In light of the prominent example in the SPX Corporation Individual Account Retirement Plan Supplement to Summary Plan Description, General Signal Transition Benefit calculating the Transition Benefit, Mr. Gillis takes the position that his Transition Benefit must also be calculated under the method of that example inasmuch as that is the method of calculation that was disclosed to him in the Supplement, and he relied on that disclosure when he took steps that would eventually lead to his early retirement and change of status at SPX Corporation.

His Transition Benefit as determined under the method of the example in the Supplement is \$661,367.62 (as of December 31, 2002) which Mr. Gillis hereby claims as his retirement benefit under the SPX Plan and which he wishes paid in a lump sum as of

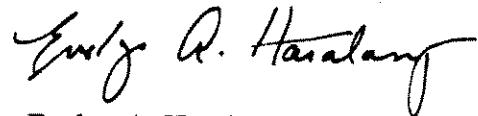
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S. Tony Ling, Esq.  
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December 31, 2002. Please provide me with the proper documentation for Mr. Gillis to process this claim.

Very truly yours,



Evelyn A. Haralampu

EAH:lb

cc: Thomas D. Gillis (w/enclosures)  
James R. Cauley, Group General Counsel (w/enclosures)  
John F. Drew, Esq. (w/enclosures)

SPXP000547

**SPX Corporation  
Individual Account Retirement Plan**

**Supplement to Summary Plan Description  
General Signal Transition Benefit**

This Supplement to the Summary Plan Description of the SPX Corporation Individual Account Retirement Plan (the "Plan") describes a transition benefit for eligible former General Signal Corporate Plan or certain Hourly Plan (the "GSX Plans") participants. You are eligible for this transition benefit if you meet all of the following conditions:

- You were at least age 45 on January 1, 1999;
- You completed at least five years of Continuous Service with General Signal (including service with SPX after the plans merged) by January 1, 1999;
- On January 1, 1999, you were a participant in either:
  - the General Signal Corporate Plan; or
  - the General Signal Hourly Plan at EST, GS Electric, Lightnin, or Kayex;
- You retire on or after age 55; and
- You retire after October 1, 1999.

The transition benefit provides you with a better benefit if you retire early from SPX. If you leave SPX before early retirement age (before age 55), you will receive the cash balance benefit described in the Summary Plan Description, but you will not be eligible for a transition benefit.

The transition benefit provides better early retirement benefits when you retire. Your initial account balance for this transition benefit begins with the value of your normal retirement benefit.<sup>1</sup>

**Transition Benefit Beginning at Your Early Retirement Date**

Your transition account balance at retirement will first need to be converted into a monthly life annuity benefit that would begin at age 65. In other words, we calculate how much of a life annuity we could "buy" with the account balance. The account balance and the equivalent life annuity at age 65 will depend on standard actuarial life expectancy tables and the 30-year Treasury rate used for the year you retire.

Next, the age-65 benefit is reduced for early retirement. There is no reduction if you retire at age 62 or later. If you retire before age 62 the benefit is reduced .25% for each month you retire prior to age 62. If this transition benefit is greater than the regular life annuity you would have from the IARP, you will be offered the greater benefit at retirement. Of course, all of the other optional forms of payment will be available to you at retirement.

If you want a lump sum payment at retirement, you will get the greater of the cash balance account or the lump sum value of the transition benefit.<sup>1</sup>

<sup>1</sup>If you were in the Corporate Plan on December 31, 1998 and were at least age 55 with five years of service on that date, your regular cash balance account could be better than the transition benefit. This is because your opening account balance already included the value of your early retirement benefit. However, if you were in the Hourly Plan on December 31, 1998, your opening account balance was the value of your normal retirement benefit. No matter which group you were in, you will get the better of the regular or the transition benefit.

**Appendix A-1**  
**Thomas Gillis' Lump Sum Benefit**  
**Under the SPX Corporation**  
**Individual Account Retirement Plan**  
**(§ B-31(k))**

### Greatest of:<sup>3</sup>

(1)	<b>Accrued Benefit:</b> (under SPX § 2.1(c))	\$581,043.86 <sup>b</sup>
	(a) Account Balance	\$464,115.28
	(as of 12/31/02)	
	(b) Grandfathered Benefit	\$581,043.86
	(as of 12/31/02)	
(2)	<b>Transition Benefit</b> (as of 12/31/02)	\$661,367.62 <sup>c</sup>
(3)	<b>December 31, 1998 GSX Accrued Benefit</b> (under SPX § B-31(h), (l))	\$366,329.01

<sup>2</sup> These calculations were prepared by The Arthur W. Anderson Group.

<sup>b</sup> Mr. Gillis qualified for the Grandfathered Benefit under SPX § 6.13 because he is a participant who on July 1, 1997 had 10 or more years of Continuous Service and was over age 50 on that date. (SPX § 2.1(x) Under SPX § B-31(d), Mr. Gillis' continuous Service Commencement Date was 5/10/65.

<sup>c</sup> Follows the method in the Harry Example under the SPX Supplement to Summary Plan Description on GSX Transition Benefit.

**Appendix A-2**  
**Calculation of Thomas Gillis' Benefits Under the**  
**SPX Corporation Individual Account Retirement Plan**

After 1998, Mr. Gillis accrued the greatest of the following (1), (2) or (3). (SPX Plan B-31(k)):

**(1) Accrued Benefit**

(a)	Grandfathered Benefit (SPX Plan 6.13(a); 2.1(b)) <sup>d</sup> (12/31/02)	\$581,043.86
(b)	Opening Account Balance (as of 1/1/99) <sup>e</sup> plus:	\$366,329.01
(i)	Principal Increases to Account Balance <sup>f</sup> 1/1/99-12/31/00 2001 <sup>g</sup> (\$3,216 + \$2,245.28) 2002 <sup>h</sup>	\$12,981.85 \$5,461.28 \$1,631.57
(ii)	Interest Credits <sup>i</sup>	\$77,711.57 <sup>j</sup>
(iii)	Current Account Balance (12/31/02)	\$464,115.28 <sup>j</sup>

**Total Accrued Benefit**

**(Grandfathered Benefit or Opening Account  
Balance Plus Principal and Interest Increases)** **\$581,043.86**

<sup>d</sup> See Appendix A-2, Calculation of Grandfathered Benefit, which is expressed as a simple life annuity. Here it is converted to a lump sum using the actuarial factors at SPX Plan §2.1(c)(1). This calculation was prepared by the Arthur W. Anderson Group.

<sup>e</sup> The opening Account Balance of a GSX employee under the SPX Plan is determined by converting the 12/31/98 GSX Accrued Benefit to a lump sum using the non-GATT actuarial assumptions set forth at SPX Plan B-31(j)(3). Benefits accrued after 1998 are determined under B-31(k) by selecting the greatest of (1)-(3) of this Appendix (i.e., Accrued Benefit, Transition Benefit or Dec. 31, 1998 GSX Accrued Benefit). To convert a benefit after 1998 to a lump sum payment, the GATT assumptions at B-31(e)(iii) (c) apply. (SPX Plan B-31(k), (l)(1)(iii)(C)) Account Balance, as defined at SPX Plan §2.1(a) refers to the sum of (i) 7/1/97 account balance (or for Mr. Gillis, the Opening Account Balance); and (ii) principal credits and interest credits under §§5.1 & 5.2. (SPX Plan 2.1(a)).

<sup>f</sup> Principal increases from 7/1/97 to 12/31/00 was determined under the SPX Plan then in effect. Mr. Gillis' Opening Account Balance of 1/1/99 apparently has no principal increase from 1/1/99 to 1/1/01. In 2001, Mr. Gillis compensation was \$108,465.97. In 2002, Mr. Gillis' compensation while he was employed was \$40,789.34. The 2001 SSTWB was \$80,400 and \$84,900 for 2002.

<sup>g</sup> For 2001, 4% of compensation up to the SSTWB is \$3,216 (4% x \$80,400), and 8% over the SSTWB is \$2,245.28 ((\\$108,465.97-\\$80,400) x 8%).

<sup>h</sup> For 2002, 4% of compensation of \$40,789.34 is \$1,631.57.

<sup>i</sup> The Interest Credit Rate is the rate paid on 5-years US Treasury Notes in effect as of the last business day immediately preceding November. (SPX Plan §2.1(bb))

<sup>j</sup> This calculation was prepared by the Arthur W. Anderson Group.

**Appendix A-2 (continued)**  
**Calculation of Thomas Gillis' Benefits Under the**  
**SPX Corporation Individual Account Retirement Plan**

**(2) Transition Benefit<sup>k</sup>**

Early Retirement Date	1/1/2003
Normal Retirement Date	1/1/2008
Account Balance ERD <sup>l</sup>	\$464,115.28
30-year Treasuries Rate for November 2001	5.12%
Deferred-Annuity Factor on 1983 GAM at above rate	102.0833
Equivalent Monthly Benefit Payable at NRD	\$4,546.44
62nd Birthday	12/2/04
Early Retirement Reduction, 0.25% per month	5.75%
Monthly Early Retirement Benefit	\$4,285.02
Immediate Annuity Factor	154.3441
Lump-sum Equivalent of Transition Benefit	\$661,367.62

<sup>k</sup>See method of calculation in the SPX Corporation Individual Account Retirement Plan Supplement to Summary Plan Description, General Signal Transition Benefit.

<sup>l</sup>Calculation of Current Account Balance (by The Arthur W. Anderson Group)

	Compensation	Social Security Wage Base	Interest Credit Rate	Principal Credit	Interest Credit	End-of-Year Cash Balance
1998						\$366,329.01
1999	60,746.19	72,600	4.51%	2,429.85	16,521.44	\$385,280.30
2000	170,000.00	76,200	6.11%	10,552.00	23,540.63	\$419,372.93
2001	108,465.97	80,400	5.42%	5,461.28	22,730.01	\$447,564.22
6/2/2002	40,789.34	84,900	3.30%	1,631.57	6,154.01	\$455,349.80
12/31/2002			3.30%		8,765.48	\$464,115.28

**Appendix A-2 (continued)**  
**Calculation of Thomas Gillis' Benefits Under the**  
**SPX Corporation Individual Account Retirement Plan**

**(3) December 31, 1998 GSX Accrued Benefit  
 (SPX B-31(j)(3))** **\$366,329.01<sup>m</sup>**

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<sup>m</sup> Note, the December 31, 1998 GSX Accrued Benefit is greater than the Opening Account Balance under SPX B-31(j)(3) when the two are expressed as a lump sum. The difference reflects different actuarial assumptions:

<u>Plan</u>	<u>Section</u>	<u>Mortality</u>	<u>Interest</u>	<u>Lump Sum</u>
GSX	App. C	1971 GAM	4%	\$369,983.41
SPX	B-31(j)(3)	1983 GAM	5.25%	\$366,329.01

**Appendix A-3**  
**Calculation of Thomas Gillis' Grandfathered Benefit Under the**  
**SPX Corporation Individual Account Retirement Plan**

**Grandfathered<sup>h</sup> Normal Retirement Benefit (§6.13(a)(i), 2.1(b))<sup>o</sup>**

- (a) 1% of Pay<sup>p</sup> up to Covered Compensation times Credited Service up to 30 yrs.
- (b) 1.5% of Pay in excess of Covered Compensation times Credited Service up to 30 yrs.
- (c) 0.75% of Pay times Credited Service over 30 yrs but not over 40 yrs.

(a)	$(0.01 \times \$4,379.00) \times 30$	=	<b>\$1,313.70</b>
(b)	$(0.015 \times \$6,045.78) \times 30$	=	<b>\$2,720.60</b>
(c)	$(0.0075 \times \$10,424.78) \times 7.12$	=	<b><u>\$ 556.68</u></b>

**Total Grandfathered Benefit** = **\$4,590.98**  
 (Expressed as a single life annuity  
 starting on normal retirement date)

Early retirement reduction from age 63 to age 60<sup>q</sup> = 18.00%

Monthly Grandfathered Benefit at early retirement = \$3,764.60

Lump-sum factor on 1983 GAM at 5.12% = 154.3441

**Total Grandfathered Benefit**  
 (Expressed as a lump sum) = **\$581,043.86**

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<sup>h</sup>The Grandfathered Group, defined at §2.1(x) of the SPX Plan refers to Participants who on 7/1/97 had 10 or more years of Continuous Service and were over age 50. Mr. Gillis meets both qualifications because he is a Participant whose Continuous Employment from GSX was transferred to the SPX Plan under B-31(d). Mr. Gillis' Continuous Service under the SPX Plan began on 5/10/65. (GSX Plan §III, 1, Appendix D) Accordingly, Mr. Gillis is a Participant in the Grandfathered Group.

<sup>o</sup>The Grandfathered Benefit is part of the definition of Accrued Benefit for GSX employees under the SPX Plan. Participants may choose the Grandfathered Benefit in lieu of the Account Balance. (SPX Plan § 6.13)

<sup>p</sup>See Pay as defined, Appendix A-5.

<sup>q</sup>For the Grandfathered Benefit, early retirement reduction starts 3 years before the Social Security retirement age, which for Mr. Gillis is at age 66.

<sup>r</sup>This may be paid after 2001 in a lump sum using non-GATT assumptions to make the conversion. (SPX Plan §§6.13(f), 6.8 and 2.1(c)(3)).

**Appendix A-4****Data for Thomas Gillis Under the  
SPX Corporation Individual Account Retirement Plan**

<b>SPX Entry Date</b>	12/1/98
<b>Date of Hire by Blue M</b>	5/10/65 <sup>s</sup>
<b>Date of Termination from SPX</b>	6/21/02
<b>Date of Birth</b>	12/2/42
<b>62nd Birthday</b>	12/2/04
<b>Covered Compensation</b>	\$4,379.00(mo.) <sup>t</sup>
<b>Average Monthly Pay</b>	\$10,424.78 <sup>u</sup>
<b>Final Average Pay over Covered Compensation (\$10,424.78-\$4,379)</b>	\$6,045.78
<b>Credited Service<sup>v</sup> Under SPX Plan (5/10/65-6/21/02):</b>	37.12 yrs.
<b>Continuous Service<sup>w</sup> Under SPX Plan (5/10/65-6/21/02):</b>	37.12 yrs.

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<sup>s</sup>Source is GSX data.<sup>t</sup>Source is A.W. Anderson calculation. Covered compensation, as defined at § 2.1(m) of the SPX Plan, refers to the social security wage base for the 35 year period ending at the employee's social security unreduced retirement age (here, age 66).<sup>u</sup>See Appendix B-3 and A-5. Sources of pay information are Wyatt, GSX data, and Mr. Gillis.<sup>v</sup>Credited Service and Benefit Service under the GSX Plan are transferred to the SPX Plan as Credited Service (SPX Plan B-31(d)). Additional Credited Service accrues for grandfathered participants after 6/30/97. See SPX Plan §4.2.<sup>w</sup>See §B-31(d) of SPX Plan. Mr. Gillis' Continuous Service Commencement Date is 5/10/65 because his Continuous Employment from the GSX Plan is transferred to the SPX Plan as Continuous Service. After 1998, Continuous Service accrued for Mr. Gillis under the SPX Plan. (SPX Plan §4.1 and B-31(d); and GSX Plan, § III(1) and Appendix D)

SPXP000554

**Appendix A-5****Thomas Gillis' Pay<sup>x</sup> Data Under the SPX Corporation  
Individual Account Retirement Plan**

2001	\$108,465.97 <sup>y</sup>
2000	\$170,000.00
1997	<u>\$ 96,826.27</u>
<b>TOTAL</b>	<b>\$375,292.24</b>

<b>Average Monthly Pay</b>	<b>\$ 10,424.78</b>
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<sup>x</sup>"Pay" refers to the average monthly pay for the 3 highest paid years during last 10 calendar years. Those years need not be consecutive (SPX Plan §2.1 (hh))

<sup>y</sup>Note that SPX annual statement of 12/31/01 shows \$108,465.97 as 2001 eligible pay. Wyatt incorrectly shows \$100,000. Mr. Gillis states that \$108,465.97 is correct.

SPXP000555

## Appendix B-1

### Calculation of Thomas Gillis' Pension at Age 65 Under the Corporate Retirement Plan of General Signal Corporation

#### Calculation of GSX Benefit at Age 65 (accrued as of 12/31/98) (GSX Plan § V-1):

(a) <u>For First 10 years of Benefit Service<sup>a</sup>:</u>	$(\$2,600 \times 0.10) + (.015 \times \$3,812.33) \times 0$	=	<u><math>\\$0</math></u>
(b) <u>For Next 20 years of Benefit Service:</u>	$[(.0125 \times \$2,600) + (.0175 \times \$3,812.33)] \times 12.917$	=	<u><math>\\$1,281.57</math></u>
(c)(1) <u>For Remaining 3.583 years (SPX Plan):</u>	$(.015 \times \$6,412.33 \times 3.583)$	=	<u><math>\\$344.63</math></u>
<b>Total Monthly GSX Benefit</b>		=	<b><u><math>\\$1,626.20</math></u></b>

#### Calculation of Blue M Benefit:<sup>b</sup>

(a) <u>To covered compensation:</u>	$(\$2,600 \times 0.01) \times 17.083$	=	<u><math>\\$444.16</math></u>
(b) <u>Over Covered Compensation:</u>	$(\$3,812.33 \times .015) \times 17.083$	=	<u><math>\\$976.89</math></u>
<b>Total Monthly Blue M Benefit</b>		=	<b><u><math>\\$1,421.05</math></u></b>
<b>Total GSX, Blue M Accrued Monthly Benefit</b>		=	<b><u><math>\\$3,047.25^c</math></u></b>
<b>Early retirement reduction, assuming commencement On 1/1/99</b>		=	<b><u>27%</u></b>
<b>Monthly early retirement benefit</b>		=	<b><u><math>\\$2,224.49</math></u></b>
<b>Total GSX, Blue M Benefit<sup>d</sup></b>			<b><u><math>\\$369,983.41</math></u></b>

<sup>a</sup> During the first 10 years of Mr. Gillis' Benefit Service (5/10/65 to 5/10/75), he had no Credited Service. During the next 20 years (5/10/75 to 5/10/95), he had 12.917 years of Credited Service (7/1/82 to 5/10/95). For the remaining years of Benefit Service (7/1/95 to 12/1/98) he had 3.417 years of Credited Service. His total years of Credited Service to 12/1/98 is 16.416, and to 12/31/98 is 16.583.

<sup>b</sup> See Appendix C of GSX Plan for Blue M formula, and § III (2) for definition of Prior Service.

<sup>c</sup> Mr. Gillis met the qualifications for having this monthly single life benefit converted and paid in a lump sum under the GSX Plan using the actuarial factors set forth in Appendix C. (GSX Plan § VI(4)). The actuarial factors are not GATT assumptions.

<sup>d</sup> Expressed as a lump sum using actuarial equivalence under the GSX Plan (App. C) (Calculated by The Arthur W. Anderson Group.)

**Appendix B-2**  
**Data for Thomas Gillis Under the**  
**Corporate Retirement Plan of**  
**General Signal Corporation**

<b>Unit Effective Date</b>	7/1/82 <sup>c</sup>
<b>GSX Entry Date</b>	7/1/82 <sup>c</sup>
<b>Date of Hire by Blue M</b>	5/10/65 <sup>c</sup>
<b>Blue M Service</b> (5/10/65 - 7/1/82)	17.038 yrs <sup>c</sup>
<b>Date of Termination by SPX</b>	6/21/02
<b>Date of Birth</b>	12/2/42
<b>Covered Compensation under GSX Plan</b>	\$2,600 (mo.) <sup>f</sup>
<b>Final Average Monthly Earnings</b> (through 12/31/98)	\$6,412.33 <sup>g</sup>
<b>Final Average Earnings over Covered Compensation</b> (\$6,412.33-\$2,600)	\$3,812.33
<b>Total Benefit Service under GSX Plan</b> (5/10/65 - 12/3/98)	33.53 yrs. <sup>h</sup>
<b>Total Credited Service under GSX Plan</b> (7/1/82 - 12/1/98)	16.417 yrs. <sup>i</sup>
<b>Total Credited Service of GSX benefit under SPX Plan</b> (7/1/82 - 12/31/98)	16.500 yrs <sup>j</sup>
<b>Total Continuous Employment under GSX Plan</b> (5/10/65 - 12/1/98)	33.53 yrs <sup>k</sup>

<sup>c</sup> Source is GSX data and § III(2) and Appendix C of GSX Plan.

<sup>f</sup> Source is GSX 1998 calculations relating back to 7/1/82. Covered compensation, as defined at § I(13), refers to the social security wage base for the 35 year period ending at the employee's retirement (for this purpose, 7/1/82).

<sup>g</sup> See Appendix A-3. Source of pay information is Wyatt and GSX.

<sup>h</sup> See § III (4) and Appendix D of GSX Plan.

<sup>i</sup> See § III (3) and Appendix D of GSX Plan and GSX calculations. The Plan ceased accruing benefits as of 12/01/98 because it was merged into the SPX Plan on 12/1/98.

<sup>j</sup> See § B-31(h) of SPX Plan which states that benefit accrued for period from 12/1/98 to 12/31/98 shall be defined under GSX Plan.

<sup>k</sup> See § III (1) and Appendix D of GSX Plan.

**Appendix B-3****Data for Thomas Gillis under the  
Corporate Retirement Plan of  
General Signal Corporation****Final Average Earnings<sup>1</sup>:**

1998	\$83,507.46
1997	96,826.27
1996	85,626.93
1995	60,410.86
1994	<u>58,368.38</u>
<b>TOTAL</b>	<b>\$384,739.90</b>

**Final Average Monthly Earnings  
(as of 12/31/98):** **\$6,412.33**

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<sup>1</sup>Final Average Earnings is defined at §I(21) of the GSX Plan and refers to the average monthly earnings during the 5 consecutive calendar years, selected from all years of continuous employment (5/10/65 to 12/1/98) which produce the greatest aggregate earnings, divided by 60.